

ND RISK MANAGEMENT FUND

State Investment Board Balance Sheet As of 6/30/2004

	As of <u>6-30-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,065,271	\$ 767,961
DOMESTIC FIXED INCOME	1,707,416	1,216,170
INVESTED CASH (NOTE 1)	<u>151,110</u>	<u>506,444</u>
TOTAL INVESTMENTS	2,923,797	2,490,575
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	46,414	48,844
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	639,808	268,003
DUE FROM OTHER AGENCIES (NOTE 3)	<u>76</u>	<u>63</u>
TOTAL ASSETS	<u>\$ 3,610,095</u>	<u>\$ 2,807,485</u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,667	965
SECURITIES LENDING COLLATERAL (NOTE 2)	639,808	268,003
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	641,475	268,968
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,538,517	3,298,707
CASH IN DURING YEAR (NOTE 5)	1,000,000	-
CASH OUT DURING YEAR (NOTE 6)	700,000	965,000
NET INCREASE (DECREASE)	<u>130,103</u>	<u>204,810</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>2,968,620</u>	<u>2,538,517</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 3,610,095</u>	<u>\$ 2,807,485</u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2004

	Month Ended <u>6-30-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 8,291	\$ 75,225
SECURITIES LENDING INCOME	615	4,014
	<u>8,906</u>	<u>79,239</u>
 GAIN ON SALE OF INVESTMENTS	 25,253	 253,043
LOSS ON SALE OF INVESTMENTS	<u>19,977</u>	<u>143,736</u>
 NET GAINS (LOSSES) INVESTMENTS	 5,276	 109,307
 INVESTMENT EXPENSES	 1,050	 5,194
SECURITIES LENDING EXPENSES	502	3,333
SIB ADMIN EXPENSES	<u>216</u>	<u>987</u>
 NET INVESTMENT INCOME	 12,414	 179,032
 NET APPREC (DEPREC) MARKET VALUE	 23,657	 (48,984)
MISCELLANEOUS INCOME/(EXPENSE)	<u>0</u>	<u>55</u>
 TOTAL INVESTMENT INCOME	 <u>36,071</u>	 <u>130,103</u>
 NET INCREASE (DECREASE)	 <u>\$ 36,071</u>	 <u>\$ 130,103</u>

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Notes To Financial Statements
June 30, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.